

“(ii) to correct the deficiency not later than 90 days after the identification of the deficiency if the Secretary finds, in the discretion of the Secretary, that such a 90-day period is reasonable, in light of the nature and magnitude of the deficiency; or

“(iii) in the discretion of the Secretary (taking into consideration the seriousness of the deficiency and the time reasonably required to correct the deficiency), to comply with the requirements of paragraph (2) concerning a quality improvement plan; and

“(C) initiate proceedings to terminate the designation of the agency unless the agency corrects the deficiency.

“(2) QUALITY IMPROVEMENT PLAN.—

“(A) AGENCY AND PROGRAM RESPONSIBILITIES.—To retain a designation as a Head Start agency under this subchapter, or in the case of a Head Start program to continue to receive funds from such agency, a Head Start agency, or Head Start program that is the subject of a determination described in paragraph (1) (excluding an agency or program required to correct a deficiency immediately or during a 90-day period under clause (i) or (ii) of paragraph (1)(B)) shall—

“(i) develop in a timely manner, a quality improvement plan that shall be subject to the approval of the secretary, or in the case of a program, the sponsoring agency, and which shall specify—

“(I) the deficiencies to be corrected;

“(II) the actions to be taken to correct such deficiencies; and

“(III) the timetable for accomplishment of the corrective actions specified; and

“(ii) eliminate each deficiency identified, not later than the date for elimination of such deficiency specified in such plan (which shall not be later than 10 months after the date the agency or program obtains approval of its quality improvement plan).

“(B) SECRETARIAL RESPONSIBILITY.—Not later than 30 days after receiving from a Head Start agency a proposed quality improvement plan pursuant to subparagraph (A), the Secretary shall either approve such proposed plan or specify the reasons why the proposed plan cannot be approved.

“(C) AGENCY RESPONSIBILITY FOR PROGRAM IMPROVEMENT.—Not later than 30 days after receiving from a Head Start program, a proposed quality improvement plan pursuant to subparagraph (A), the Head Start agency shall either approve such proposed plan or specify the reasons why the proposed plan cannot be approved.

“(3) TRAINING AND TECHNICAL ASSISTANCE.—The Secretary shall provide training and technical assistance to Head Start agencies and programs with respect to the development or implementation of such quality improvement plans to the extent the Secretary finds such provision to be feasible and appropriate given available funding and other statutory responsibilities.

“(f) SUMMARIES OF MONITORING OUTCOMES.—Not later than 120 days after the end of each fiscal year, the Secretary shall publish a summary report on the findings of reviews conducted under subsection (c) and on the outcomes of quality improvement plans implemented under subsection (e), during such fiscal year. Such report shall be made available to all parents with children receiving assistance under this subchapter in an understandable and uniform format, and to the extent practicable, provided in a language that the parents can understand, and in addition, make the information widely available through public means such as distribution through public agencies, and at a minimum posting such information on the Internet immediately upon publication. Such reports shall contain detailed data on compliance with specific performance standards and measures sufficient to allow individual Head Start agencies to use such data to improve the quality of their program.

“(g) SELF-ASSESSMENTS.—

“(1) IN GENERAL.—Not less frequently than once each program year, with the consultation and participation of policy councils, and as applicable, policy committees, and as appropriate, other community members, each Head Start agency and each delegate agency that receives financial assistance under this subchapter shall conduct a comprehensive self-assessment of its effectiveness and progress in meeting program goals and objectives (including professional development plans) and in implementing and complying with Head Start program performance standards.

“(2) REPORT AND IMPROVEMENT PLANS.—

“(A) REPORT.—An agency conducting a self-assessment shall report the findings of the self-assessment to the relevant policy council, policy committee, governing body, and Secretary. Each self-assessment shall identify areas of strength and weakness.

“(B) IMPROVEMENT PLAN.—The agency shall develop and report to the Secretary an improvement plan approved by the governing body of the agency to strengthen any areas identified in the self-assessment as weaknesses or in need of improvement.

“(3) ONGOING MONITORING.—Each Head Start agency, delegate Head Start agency, and entity that carries out an Early Head Start program shall establish and implement procedures for the ongoing monitoring of their respective programs, to ensure that the operations of the programs work toward meeting program goals and objectives and Head Start performance standards.

“(h) ENROLLMENT REPORTING REQUIREMENT.—

“(1) Head Start agencies shall report on a regular basis to the Secretary—

“(A) the actual enrollment in such program; and

“(B) if such actual enrollment is less than the funded enrollment, any apparent reason for such enrollment shortfall.

“(2) The Secretary shall determine on a regular basis which Head Start agencies are operating with an actual enrollment that is less than the funded enrollment and shall provide appropriate and timely training and technical assistance to increase actual enrollment, as appropriate.

“(3) In this subsection:

“(A) The term ‘actual enrollment’ means, with respect to a Head Start program, the actual number of children enrolled in such program in a given month.

“(B) The term ‘base grant’ means, with respect to Head Start agency for a fiscal year, that portion of the grant derived from—

“(i) amounts reserved for use in accordance with section 640(a)(2)(A), for a Head Start agency administering an Indian Head Start program or migrant and seasonal Head Start program;

“(ii) amounts reserved for payments under section 640(a)(2)(B); or

“(iii) amounts available under section 640(a)(2)(D) or allotted among States under section 640(a)(4).

“(C) The term ‘funded enrollment’ means, with respect to the program of a Head Start agency in a fiscal year, the number of children that the agency is funded to serve through a grant for the program during such fiscal year, as indicated in the grant award.

“(i) REDISTRIBUTION OF FUNDS.—Funds held by the Secretary as a result of recapturing, withholding, or reducing a base grant, except when such action is the result of an open competition 641(d)) or termination 646(d) shall be redistributed in such fiscal year as follows:

“(1) If such funds are derived from an Indian Head Start program, then such funds shall be redistributed to increase enrollment in such fiscal year in 1 or more Indian Head Start programs.

“(2) If such funds are derived from the operation of a migrant and seasonal Head Start program, then such funds shall be redistributed to

increase enrollment in such fiscal year in 1 or more migrant and seasonal Head Start programs.

“(3) If such funds are derived from the operation of a Head Start program in a State (excluding Indian Head Start program and migrant and seasonal Head Start programs), then such funds shall be redistributed to increase enrollment in such fiscal year in 1 or more Head Start programs (excluding Indian Head Start programs and migrant and seasonal Head Start programs) that are carried out in such State, except that—

“(A) not less than 50 percent of the funds shall be prioritized to increase the program participation of children and families served under Early Head Start; and

“(B) not less than 25 percent of the funds shall be prioritized to increase program participation of underserved populations of eligible children.”

SEC. 8. POWERS AND FUNCTIONS OF HEAD START AGENCIES.

Section 642 of the Head Start Act (42 U.S.C. 9837) is amended to read as follows:

“SEC. 642. POWERS AND FUNCTIONS OF HEAD START AGENCIES.

“(a) LEGAL AUTHORITY.—To be designated as a Head Start agency under this subchapter, an agency must have authority under its charter or applicable law to receive and administer funds under this subchapter, funds and contributions from private or local public sources which may be used in support of a Head Start program, and funds under any Federal or State assistance program pursuant to which a public or private nonprofit or for-profit agency (as the case may be) organized in accordance with this subchapter, could act as grantee, contractor, or sponsor of projects appropriate for inclusion in a Head Start program. Such an agency must also be empowered to transfer funds so received, and to delegate powers to other agencies, subject to the powers of its governing board and its overall program responsibilities. The power to transfer funds and delegate powers must include the power to make transfers and delegations covering component projects in all cases where this will contribute to efficiency and effectiveness or otherwise further program objectives.

“(b) FAMILY AND COMMUNITY INVOLVEMENT; FAMILY SERVICES.—To be so designated, a Head Start agency shall, at a minimum, do all the following to involve and serve families and communities:

“(1) Establish effective procedures by which parents and area residents concerned will be enabled to directly participate in decisions that influence the character of programs affecting their interests.

“(2) Seek the involvement of parents, area residents, and local business in the design and implementation of the program.

“(3) Establish effective procedures to facilitate and seek the involvement of parents of participating children in activities designed to help such parents become full partners in the education of their children, and to afford such parents the opportunity to participate in the development and overall conduct of the program at the local level, including a process through which parents of children currently participating in a Head Start program or an Early Head Start program select the parent representatives to serve on the council under section 642(b)(4)(B)(ii).

“(4) Offer (directly or through referral to local entities, such as entities carrying out Even Start programs under subpart 3 of part B of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2741 et seq.)), to parents of participating children, family literacy services and parenting skills training.

“(5) Offer to parents of participating children mental health services (either directly or through referral to local entities), including substance abuse counseling, and including information on maternal depression and on drug-exposed infants and fetal alcohol syndrome.